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**BEFORE THE BOARD OF PATENT APPEALS
AND INTERFERENCES**

Application Number: 09/748,359

Filing Date: December 26, 2000

Appellant(s): LENCKI ET AL.

John L. Hemmer, Reg. No. 58,752
For Appellant

EXAMINER'S ANSWER

This is in response to the appeal brief filed 8/6/09 appealing from the Office action
mailed 3/5/09.

(1) Real Party in Interest

A statement identifying by name the real party in interest is contained in the brief.

(2) Related Appeals and Interferences

The examiner is not aware of any related appeals, interferences, or judicial proceedings which will directly affect or be directly affected by or have a bearing on the Board's decision in the pending appeal.

(3) Status of Claims

The statement of the status of claims contained in the brief is correct.

(4) Status of Amendments After Final

The appellant's statement of the status of amendments after final rejection contained in the brief is correct.

(5) Summary of Claimed Subject Matter

The summary of claimed subject matter contained in the brief is correct.

(6) Grounds of Rejection to be Reviewed on Appeal

The appellant's statement of the grounds of rejection to be reviewed on appeal is correct.

(7) Claims Appendix

The copy of the appealed claims contained in the Appendix to the brief is correct.

(8) Evidence Relied Upon

5,890,129 A	SPURGEON	03-1999
6,067,522 A	WARADY et al.	05-2000
6,735,569 B1	WIZIG	05-2004

(9) Grounds of Rejection

The following ground(s) of rejection are applicable to the appealed claims:

Claim Rejections - 35 USC § 112

1. The following is a quotation of the second paragraph of 35 U.S.C. 112:

The specification shall conclude with one or more claims particularly pointing out and distinctly claiming the subject matter which the applicant regards as his invention.

2. Claims 70-73,75-79, and 81-82 are rejected under 35 U.S.C. 112, second paragraph, as being indefinite for failing to particularly point out and distinctly claim the subject matter which applicant regards as the invention.

As per claim 70, it is unclear whether the applicant intends to claim a system or a method of providing benefits. While the preamble the recites "a system comprising", the body of the claim list both system components and method steps.

In *IPXL Holdings, L.L.C. v Amazon.Com, Inc.* (CAFC, 05-1009, -1487, 11/21/2005), the court held a claim covering two statutory classes to be properly rejected under 112,2nd paragraph:

Whether a single claim covering both an apparatus and a method of use of that apparatus is invalid is an issue of first impression in this court. The Board of Patent Appeals and Interferences ("Board") of the PTO, however, has made it clear that reciting both an apparatus and a method of using that apparatus renders a claim indefinite under section 112, paragraph 2. *Ex parte Lyell*, 17 USPQ2d 1548 (BPAI 1990). As the Board noted in *Lyell*, "the statutory class of invention is important in determining patentability and infringement." Id. at 1550 (citing *In re Kuehl*, 475 F.2d 658, 665 (CCPA 1973); *Rubber Co. v. Goodyear*, 76 U.S. 788, 796 (1870)). The Board correctly surmised that, as a result of the combination of two separate statutory classes of invention, a manufacturer or seller of the claimed apparatus would not know from the claim whether it might also be liable for contributory infringement because a buyer or user of the apparatus later performs the claimed method of using the apparatus. Id. Thus,

such a claim "is not sufficiently precise to provide competitors with an accurate determination of the 'metes and bounds' of protection involved" and is "ambiguous and properly rejected" under section 112, paragraph 2. *Id.* at 1550-51. This rule is well recognized and has been incorporated into the PTO's Manual of Patent Examination Procedure. § 2173.05(p)(II) (1999) ("A single claim which claims both an apparatus and the method steps of using the apparatus is indefinite under 35 U.S.C. 112, second paragraph."); see also Robert C. Faber, *Landis on Mechanics of Patent Claim Drafting* § 60A (2001) ("Never mix claim types to different classes of invention in a single claim.").

The Examiner is interpreting the claims to mean that the Applicant is claiming a system with a processor that is configured to perform the recited steps.

Claims 71-73,75-79, and 81-82 are inherit the deficiencies of claim 70 through dependency and are also rejected.

Claim Rejections - 35 USC § 103

3. The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negatived by the manner in which the invention was made.

4. Claims 1-4, 6-12,15-17,20-31,34-36,39-40,42-48,51,70-73,75-79 and 82 are rejected under 35 U.S.C. 103(a) as being unpatentable over Wizig (USPN 6,735,569) in view of Warady et al. (US 6067522)

[claim 1] Wizig discloses a method of providing benefits to an employee comprising:

- receiving an insurance coverage package selection from the employee wherein the insurance coverage package corresponds to a benefit type and automatically

includes coverage under a plurality of benefit categories associated with the benefit type (e.g. insurance—benefit type); (Figure 55; col. 14, lines 38-64)

- for each of the plurality of benefit categories automatically included in the package receiving via the user interface a purchase selection from the employee corresponding to one of the plurality of different line items associated with the benefit category; and (Fig. 30, 33; col. 14, lines 38-64; Figure 55)
- providing the insurance coverage package corresponding to the benefit type and including the plurality of benefit categories to the employee in accordance with the purchase selections made by the employee (Col. 16, lines 47-col. 17, line 39)

Wizig discloses a method for customizing insurance coverage, as explained, but does not expressly disclose:

- displaying a plurality of different line items associated with the benefit category to the employee on a user interface accessible through a computer network wherein each of the different line items displayed on the interface includes (i) an out-of-pocket cost parameter that corresponds to out-of-pocket costs paid by the employee for use of coverage provided under the benefit category and (ii) a corresponding benefit cost to the employee for purchasing the coverage under the benefit category and wherein the benefit cost presented to the employee for at least one of the different line items associated with the benefit category is non-zero.

Warady discloses

simultaneously displaying a plurality of different line items associated with the benefit category (e.g. medical: Description of options A-M) to the employee on a user interface accessible through a computer network wherein each of the different line items displayed on the interface includes (i) an out-of-pocket cost parameter that corresponds to out-of-pocket costs paid by the employee for use of coverage provided under the benefit category (out of pocket cost— e.g. deductible) and (ii) a corresponding benefit cost to the employee for purchasing the coverage under the benefit category (cost for employee only, employee+children; employee+spouse; employee+spouse) and wherein the benefit cost presented to the employee for at least one of the different line items associated with the benefit category is non-zero (Fig. 7A-B).

At the time of the Applicant's invention, it would have been obvious to one of ordinary skill in the art to modify the method of Wizig with the teaching of Warady to provide user's with information on out-of-pocket costs as they are selecting a personalized healthcare plan. As suggested by Warady, one would have been motivated to include this feature to ensure that the employee is informed of and can easily enroll in the various plan options that match their needs. (col. 9, lines 49-col. 10, line 8)

Furthermore, it should be noted that these limitations regarding the data that are displayed on the screen, are nonfunctional description material and are not functionally involved in the steps recited. In particular, the steps recited in claim 1 would be performed the same regardless of the data contents of the noted material (i.e. the data

displayed on the screen, simultaneously or otherwise). Thus, this descriptive material will not distinguish the claimed invention from the prior art in terms of patentability. See *In re Gulack*, 703 F.2d 1381, 1385, 217 USPQ 401, 404 (Fed. Cir. 1983); *In re Lowry*, 32F.3d 1579, 32 USPQ2d 1031 (Fed. Cir. 1994).

[claim 2] Wizig teaches a method wherein at least one of the different line items displayed on the interface includes a predefined employer contribution to said employee for purchase of said at least one of said line items. (col. 12, lines 24-29; Figure 30, 53)

[claims 3-4] Wizig teaches a method wherein said plurality of benefit categories comprises insurance (e.g. health insurance) benefits. (col. 12, lines 24-29, Figure 33)

[claims 6-7] Wizig teaches a method wherein said benefit costs to the employee for purchasing the coverage under the benefit category are established based on prior cost data or actuarial data. (col. 9, lines 50-67; col. 16, lines 47-col. 17, line 23; col. 20, lines 54-col. 21, line 50)

[claim 8] Wizig teaches a method further comprising: identifying a plurality of options for purchase by said employee within said line items. (Fig. 33)

[claim 9] Wizig teaches a method wherein said options comprise cost sharing options. (col. 8, lines 59-col. 9, line 19; Figure 33: sponsoring and co-payment)

[claim 10] Wizig teaches a method wherein said options comprise place of service options. (Figure 28: e.g. distance in miles/time from providers)

[claim 11] Wizig teaches a method wherein said options comprise benefit provider network options. (col. 13, lines 30-51; col. 15, lines 43-57)

[claim 12] Wizig teaches a method according to claim 8, said method further comprising: identifying a plurality of sub-options for purchase by said employee within said options. (Figures 30-31,55; col. 14, lines 38-64)

[claim 15] Wizig teaches a method wherein said computer network is a global computer network and wherein said user interface is provided at a web site on said network. (col. 6, lines 1-24)

[claim 16] Wizig teaches a method further comprising: identifying factors on said user interface for said employee to consider in connection with the purchase of one or more of said line items. (Figures 26-29)

[claim 17] Wizig teaches a method according to claim 1, said method further comprising:

- querying said employee through said user interface for personal information related to said employee (Figure 20; Figure 28 e.g. preferences); and
- explaining the need for said personal information on said user interface. (Figure 28—explains how preference information is used)

[claim 20] Wizig teaches a method further comprising:

- creating data comprising personal information related to said employee and representing each said line item purchased by said employee; and (col. 10, lines 66-col. 11, line 8, lines 14-31; Figures 4A-4D, col. 13, lines 18-col. 14, line 25)
- transmitting said data to a customer service vendor configured to automatically build a customer benefit summary for said employee based on said data. (Figure 33, 55; col. 14, lines 38-64—e.g. Express Buy)

[claim 21] Wizig discloses a method of providing healthcare to an employee comprising:

- receiving an insurance coverage package selection from the employee wherein the insurance coverage package corresponds to a benefit type and automatically includes coverage under a plurality of benefit categories associated with the benefit type (e.g. insurance—benefit type); (Figure 55; col. 14, lines 38-64)
- for each of the plurality of benefit categories automatically included in the package, receiving via the user interface a purchase selection from the employee corresponding to one of the plurality of different line items associated with the benefit category; and (Fig. 30, 33; col. 14, lines 38-64; Figure 55)
- providing the insurance coverage package corresponding to the benefit type and including the plurality of benefit categories to the employee in accordance with the purchase selections made by the employee (Col. 16, lines 47-col. 17, line 39)

Wizig discloses a method for customizing insurance coverage, as explained, but does not expressly disclose:

- displaying a plurality of different line items associated with the benefit category to the employee on a user interface accessible through a computer network wherein each of the different line items displayed on the interface includes (i) an out-of-pocket cost parameter that corresponds to out-of-pocket costs paid by the employee for use of coverage provided under the benefit category and (ii) a corresponding benefit cost to the employee for purchasing the coverage under the benefit category and wherein the benefit cost presented to the employee for at least one of the different line items associated with the benefit category is non-zero.

Warady discloses

- simultaneously displaying a plurality of different line items associated with the benefit category (e.g. medical: Description of options A-M) to the employee on a user interface accessible through a computer network wherein each of the different line items displayed on the interface includes (i) an out-of-pocket cost parameter that corresponds to out-of-pocket costs paid by the employee for use of coverage provided under the benefit category (out of pocket cost— e.g. deductible) and (ii) a corresponding benefit cost to the employee for purchasing the coverage under the benefit category (cost for employee only, employee+children; employee+spouse; employee+spouse) and wherein the

benefit cost presented to the employee for at least one of the different line items associated with the benefit category is non-zero (Fig. 7A-B).

At the time of the Applicant's invention, it would have been obvious to one of ordinary skill in the art to modify the method of Wizig with the teaching of Warady to provide user's with information on out-of-pocket costs as they are selecting a personalized healthcare plan. As suggested by Warady, one would have been motivated to include this feature to ensure that the employee is informed of and can easily enroll in the various plan options that match their needs. (col. 9, lines 49-col. 10, line 8)

Furthermore, it should be noted that these limitations regarding the data that are displayed on the screen, are nonfunctional description material and are not functionally involved in the steps recited. In particular, the steps recited in claim 21 would be performed the same regardless of the data contents of the noted material (i.e. the data displayed on the screen, simultaneously or otherwise). Thus, this descriptive material will not distinguish the claimed invention from the prior art in terms of patentability. See *In re Gulack*, 703 F.2d 1381, 1385, 217 USPQ 401, 404 (Fed. Cir. 1983); *In re Lowry*, 32F.3d 1579, 32 USPQ2d 1031 (Fed. Cir. 1994).

[claim 22] Wizig discloses a method wherein at least one of the different line items displayed on the interface includes a predefined employer contribution to said employee for purchase of said at least one of said line items. (col. 12, lines 24-29; Figure 30, 53)

[claim 23] Wizig teaches a method, wherein said employee's employer provides said predefined contribution. (col. 12, lines 24-29; Figure 24)

[claims 25-26] Wizig teaches a method wherein said benefit costs to the employee for purchasing the coverage under the benefit category are established based on prior cost data or actuarial data. (col. 9, lines 50-67; col. 16, lines 47-col. 17, line 23; col. 20, lines 54-col. 21, line 50)

[claim 27] Wizig teaches a method further comprising: identifying a plurality of options for purchase by said employee within said line items. (Fig. 33)

[claim 28] Wizig teaches a method wherein said options comprise cost sharing options. (col. 8, lines 59-col. 9, line 19; Figure 33: sponsoring and co-payment)

[claim 29] Wizig teaches a method according to claim 27, wherein said options comprise place of service options. (Figure 28: e.g. distance in miles/time from providers)

[claim 30] Wizig teaches a method wherein options comprise benefit provider network options. (col. 13, lines 30-51; col. 15, lines 43-57)

[claim 31] Wizig teaches a method further comprising: identifying a plurality of sub-options for purchase by said employee within said options. (Figures 30-31,55; col. 14, lines 38-64)

[claim 34] Wizig teaches method wherein said computer network is a global computer network and wherein said user interface is provided at a web site on said network. (col. 6, lines 1-24)

[claim 35] Wizig teaches a method further comprising: identifying factors on said user interface for said employee to consider in connection with the purchase of one or more of said line items. (Figures 26-29)

[claim 36] Wizig teaches a method further comprising: querying said employee through said user interface for personal information related to said employee Figure 20; Figure 28 e.g. preferences); and explaining the need for said personal information on said user interface. (Figure 28—explains how preference information is used)

[claim 39] Wizig teaches a method further comprising:

- storing data comprising personal information related to said employee and representing each said line item purchased by said employee; and (col. 10, lines 66-col. 11, line 8, lines 14-31; Figures 4A-4D, col. 13, lines 18-col. 14, line 25)
- transmitting said data to a customer service vendor configured to automatically build a customer benefit summary for said employee based on said data. (Figure 33, 55; col. 14, lines 38-64—e.g. Express Buy)

[claim 40] Wizig teaches a method of establishing a health care benefits offering to an employee group comprising:

- establishing a healthcare cost for said group; (Figures 4A-D, 32, col. 16, lines 19-47, e.g. family plans) and
- establishing a plurality of health care line different items based on said cost. (Figures 31-32, col. 16, lines 19-47)

- said method further comprising:
 - receiving an insurance coverage package selection from an employee in the group wherein the insurance coverage package corresponds to a benefit type and automatically includes coverage under a plurality of benefit categories associated with the benefit type (e.g. insurance—benefit type); (Figures 25, 37-38; 55; col. 14, lines 38-64)
 - for each of the plurality of benefit categories automatically included in the package, receiving via the user interface a purchase selection from the employee corresponding to one of the plurality of different line items associated with the benefit category; and (Fig. 30, 33; col. 14, lines 38-64; Figure 55)
 - providing the insurance coverage package corresponding to the benefit type and including the plurality of benefit categories to the employee in accordance with the purchase selections made by the employee (Col. 16, lines 47-col. 17, line 39)

Wizig discloses a method for customizing insurance coverage, as explained, but does not expressly disclose:

- displaying a plurality of different line items associated with the benefit category to the employee on a user interface accessible through a computer network wherein each of the different line items displayed on the interface includes (i) an out-of-pocket cost parameter that corresponds to out-of-pocket costs paid by the employee for use of coverage provided under the benefit category and (ii) a corresponding benefit cost to the employee for purchasing the coverage under

the benefit category and wherein the benefit cost presented to the employee for at least one of the different line items associated with the benefit category is non-zero.

Warady discloses:

- simultaneously displaying a plurality of different line items associated with the benefit category (e.g. medical: Description of options A-M) to the employee on a user interface accessible through a computer network wherein each of the different line items displayed on the interface includes (i) an out-of-pocket cost parameter that corresponds to out-of-pocket costs paid by the employee for use of coverage provided under the benefit category (out of pocket cost— e.g. deductible) and (ii) a corresponding benefit cost to the employee for purchasing the coverage under the benefit category (cost for employee only, employee+children; employee+spouse; employee+spouse) and wherein the benefit cost presented to the employee for at least one of the different line items associated with the benefit category is non-zero (Fig. 7A-B).

At the time of the Applicant's invention, it would have been obvious to one of ordinary skill in the art to modify the method of Wizig with the teaching of Warady to provide user's with information on out-of-pocket costs as they are selecting a personalized healthcare plan. As suggested by Warady, one would have been motivated to include this feature to ensure that the employee is informed of and can easily enroll in the various plan options that match their needs. (col. 9, lines 49-col. 10, line 8)

Furthermore, it should be noted that these limitations regarding the data that are displayed on the screen, are nonfunctional description material and are not functionally involved in the steps recited. In particular, the steps recited in claim 40 would be performed the same regardless of the data contents of the noted material (i.e. the data displayed on the screen, simultaneously or otherwise). Thus, this descriptive material will not distinguish the claimed invention from the prior art in terms of patentability. See *In re Gulack*, 703 F.2d 1381, 1385, 217 USPQ 401, 404 (Fed. Cir. 1983); *In re Lowry*, 32F.3d 1579, 32 USPQ2d 1031 (Fed. Cir. 1994).

[claims 42-43] Wizig teaches a method wherein healthcare costs are established based on prior cost data or actuarial data. (col. 9, lines 50-67; col. 16, lines 47-col. 17, line 23; col. 20, lines 54-col. 21, line 50)

[claim 44] Wizig teaches a method further comprising: establishing a plurality of options within at least one of said line items. (Fig. 33)

[claim 45] Wizig teaches a method wherein said options comprise cost sharing options. (col. 8, lines 59-col. 9, line 19; Figure 33: sponsoring and co-payment)

[claim 46] Wizig teaches a method wherein said options comprise place of service options. (Figure 28: e.g. distance in miles/time from providers)

[claim 47] Wizig teaches a method wherein said options comprise benefit provider network options. (col. 13, lines 30-51; col. 15, lines 43-57)

[claim 48] Wizig teaches method further comprising: establishing a plurality of sub-options within at least one of said options. (Figures 30-31,55; col. 14, lines 38-64)

[claim 51] Wizig teaches a method wherein said computer network is a global computer network and wherein said user interface is provided at a web site on said network. (col. 6, lines 1-24)

[claim 70] Wizig teaches a system for providing benefits to an employee comprising:

- at least one database; (col. 7, line 47-56; Figures 1- 2)
- at least one processor for accessing said database; (Figs. 1-2; col. 6, line 62-col. 7, line 46) and
- a user-interface accessible through a computer network (col. 6, lines 15-24) for accessing said processor (Figures 1-2; 30-31; col. 6, lines 4-34)
- wherein the at least one processor receives an insurance coverage package selection from the employee wherein the insurance coverage package corresponds to a benefit type and automatically includes coverage under a plurality of benefit categories associated with the benefit type (e.g. insurance—benefit type); (Figure 55; col. 14, lines 38-64)
- wherein for each of the plurality of benefit categories automatically included in the package, the at least one processor receives via the user interface a purchase selection from the employee corresponding to one of the plurality of different line items associated with the benefit category; and (Fig. 30, 33; col. 14, lines 38-64; Figure 55)

- wherein the at least one processor is used for providing the insurance coverage package corresponding to the benefit type and including the plurality of benefit categories to the employee in accordance with the purchase selections made by the employee (Col. 16, lines 47-col. 17, line 39)

Wizig discloses a method for customizing insurance coverage, as explained, but does not expressly disclose:

- displaying a plurality of different line items associated with the benefit category to the employee on a user interface accessible through a computer network wherein each of the different line items displayed on the interface includes (i) an out-of-pocket cost parameter that corresponds to out-of-pocket costs paid by the employee for use of coverage provided under the benefit category and (ii) a corresponding benefit cost to the employee for purchasing the coverage under the benefit category and wherein the benefit cost presented to the employee for at least one of the different line items associated with the benefit category is non-zero.

Warady discloses:

- simultaneously displaying a plurality of different line items associated with the benefit category (e.g. medical: Description of options A-M) to the employee on a user interface accessible through a computer network wherein each of the different line items displayed on the interface includes (i) an out-of-pocket cost parameter that corresponds to out-of-pocket costs paid by the employee for use of coverage provided under the benefit category (out of pocket cost— e.g.

deductible) and (ii) a corresponding benefit cost to the employee for purchasing the coverage under the benefit category (cost for employee only, employee+children; employee+spouse; employee+spouse) and wherein the benefit cost presented to the employee for at least one of the different line items associated with the benefit category is non-zero (Fig. 7A-B).

At the time of the Applicant's invention, it would have been obvious to one of ordinary skill in the art to modify the system of Wizig with the teaching of Warady to provide user's with information on out-of-pocket costs as they are selecting a personalized healthcare plan. As suggested by Warady, one would have been motivated to include this feature to ensure that the employee is informed of and can easily enroll in the various plan options that match their needs. (col. 9, lines 49-col. 10, line 8)

[claim 71] Wizig teaches a system wherein said at least one database further comprises data representing a predefined employer contribution to said employee for purchase of at least one of said line items. (Figure 2, 15--col. 12, lines 16-28—sponsor contribution amount is stored (i.e. sponsor individual database))

[claims 72-73] Wizig teaches a system wherein at least one said benefit categories comprises insurance and wherein the insurance benefits comprise health insurance benefits. (col. 12, lines 24-29, Figure 33)

[claim 75] Wizig teaches a system wherein said database further comprises data representing a plurality of options for purchase by said employee within said line items. (Fig. 33)

[claim 76] Wizig teaches a system wherein said options comprise cost sharing options. (col. 8, lines 59-col. 9, line 19; Figure 33: sponsoring and co-payment)

[claim 77] Wizig teaches a system wherein said options comprise place of service options. (Figure 28: e.g. distance in miles/time from providers)

[claim 78] Wizig teaches a system wherein said options comprise benefit provider network options. (col. 13, lines 30-51; col. 15, lines 43-57)

[claim 79] Wizig teaches a system wherein said at least one database further comprises data representing a plurality of sub-options for purchase by said employee within said options. (Fig. 13)

[claim 82] Wizig teaches a system wherein said computer network is a global computer network and wherein said user interface is provided at a web site on said network. (col. 6, lines 1-24)

5. Claims 14,18-19,33,37-38,50,81, and 106 are rejected under 35 U.S.C. 103(a) as being unpatentable over Wizig (USPN 6,735,569), and Warady (US 6067522) applied to claims 1,21,40 and 70, and in view of Spurgeon (USPN 5,890,129).

[claim 14] Wizig teaches a method and system for providing benefits to an individual (e.g. employee), and for providing a user interface for the selection of benefits over a

computer network (col. 6, lines 15-24, Figures 1-2), but does not expressly disclose that the computer network is a local area network. Spurgeon discloses the use of local area networks (LAN's) to provide/transmit insurance benefits data (Figure 1; col. 6, lines 61-col. 7, line 7). At the time of the Applicant's invention, it would have been obvious to one of ordinary skill in the art to modify the method/system of Wizig to include LAN's among the types of networks used to transmit/provide benefits data. As suggested by Spurgeon, one would have been motivated to include this feature to allow different parties (e.g. insurers/ healthcare providers) to continue to use their existing systems, while reaping the benefits of automatic exchange of insurance benefits information. (col. 2, lines 64-67)

[claims 18] Wizig teaches a method further comprising storing data representing each said line item purchased by said employee (Figures 9 and 15; col. 9, lines 6-19; col. 10, lines 16-31—databases store information on items purchased by employee). Wizig also teaches a method wherein profiles are created for the user, but does not expressly disclose transmitting the stored data to a benefit claims processing vendor configured to automatically build a benefit profile for said employee based on said data. Spurgeon teaches a method wherein data gathered/stored from the user on selected benefits is transmitted to a benefit claims processing vendor (i.e. insurer or third party reviewer), which may build a profile of the individual (i.e. store a profile of the insured in a database). (Spurgeon: col. 4, lines 7-18; col. 6, lines 16-43). At the time of the Applicant's invention, it would have been obvious to one of ordinary skill in the art to

modify the system/method of Wizig with the teaching of Spurgeon to provide user information to a benefit claims processor vendor (i.e. insurer/third party reviewer), which may provide a profile of the user. As suggested by Spurgeon, one would have been motivated to include this feature to increase the speed with which claims may be processed and paid (col. 4, lines 43-46) and to provide a mechanism for updating providers on the status of a patient/subscriber (i.e. the employee purchasing benefits). (col. 8, line 54-57)

[claim 19] Wizig and Spurgeon teach the method of providing benefits of claim 18 as explained in the rejection of 18. However, Wizig does not disclose claims processing and as such, does not disclose that the recited claims processing vendor is configured to confirm eligibility for payment of benefit claims based on the user's benefit profile. Spurgeon teaches a method and system wherein the benefit claims processing vendor (i.e. insurer or third party reviewer) is configured to confirm eligibility for payment of benefit claims based on the user's benefit profile. (col. 4, lines 7-18; col. 10, line 45-col. 11, line 10). At the time of the Applicant's invention, it would have been obvious to one of ordinary skill in the art to modify the system/method of Wizig with the teaching of Spurgeon to have the claims processing vendor confirm status (i.e. eligibility) of the subscriber based upon the stored user information. As suggested by Spurgeon, one would have been motivated to include this feature to increase the speed with which claims may be processed and paid (col. 4, lines 43-46).

[claim 33] Wizig teaches a method and system for providing benefits to an individual (e.g. employee), and for providing a user interface for the selection of benefits over a computer network (col. 6, lines 15-24, Figures 1-2), but does not expressly disclose that the computer network is a local area network. Spurgeon discloses the use of local area networks (LAN's) to provide/transmit insurance benefits data (Figure 1; col. 6, lines 61-col. 7, line 7). At the time of the Applicant's invention, it would have been obvious to one of ordinary skill in the art to modify the method/system of Wizig to include LAN's among the types of networks used to transmit/provide benefits data. As suggested by Spurgeon, one would have been motivated to include this feature to allow different parties (e.g. insurers/ healthcare providers) to continue to use their existing systems, while reaping the benefits of automatic exchange of insurance benefits information. (col. 2, lines 64-67)

[claim 37] The limitations of claim 37 are addressed by the rejections of claims 18 and 21, and incorporated herein.

[claim 38] The limitations of claim 38 are addressed by the rejections of claims 19 and 37, and incorporated herein.

[claim 50] Wizig teaches a method and system for providing benefits to an individual (e.g. employee), and for providing a user interface for the selection of benefits over a computer network (col. 6, lines 15-24, Figures 1-2), but does not expressly disclose that the computer network is a local area network. Spurgeon discloses the use of local area

networks (LAN's) to provide/transmit insurance benefits data (Figure 1; col. 6, lines 61-col. 7, line 7). At the time of the Applicant's invention, it would have been obvious to one of ordinary skill in the art to modify the method/system of Wizig to include LAN's among the types of networks used to transmit/provide benefits data. As suggested by Spurgeon, one would have been motivated to include this feature to allow different parties (e.g. insurers/ healthcare providers) to continue to use their existing systems, while reaping the benefits of automatic exchange of insurance benefits information. (col. 2, lines 64-67)

[claim 81] Wizig teaches a method and system for providing benefits to an individual (e.g. employee), and for providing a user interface for the selection of benefits over a computer network (col. 6, lines 15-24, Figures 1-2), but does not expressly disclose that the computer network is a local area network. Spurgeon discloses the use of local area networks (LAN's) to provide/transmit insurance benefits data (Figure 1; col. 6, lines 61-col. 7, line 7). At the time of the Applicant's invention, it would have been obvious to one of ordinary skill in the art to modify the method/system of Wizig to include LAN's among the types of networks used to transmit/provide benefits data. As suggested by Spurgeon, one would have been motivated to include this feature to allow different parties (e.g. insurers/ healthcare providers) to continue to use their existing systems, while reaping the benefits of automatic exchange of insurance benefits information. (col. 2, lines 64-67)

[claim 106] Wizig teaches a method of providing benefits to an employee comprising:

- receiving an insurance coverage package selection from the employee wherein the insurance coverage package corresponds to a benefit type and automatically includes coverage under a plurality of benefit categories associated with the benefit type (e.g. insurance—benefit type); (Figure 55; col. 14, lines 38-64)
- identifying a predefined employer contribution to said employee on said user interface for purchase of at least one of said line items. (col. 12, lines 24-29; Figure 24)
- for each of the plurality of benefit categories automatically included in the package receiving via the user interface a purchase selection from the employee corresponding to one of the plurality of different line items associated with the benefit category; and (Fig. 30, 33; col. 14, lines 38-64; Figure 55)
- storing data representing each said line item purchased by said individual (Figures 9 and 15; col. 9, lines 6-19; col. 10, lines 16-31—databases store information on items purchased by employee)
- providing the insurance coverage package corresponding to the benefit type and including the plurality of benefit categories to the employee in accordance with the purchase selections made by the employee (Col. 16, lines 47-col. 17, line 39)

Wizig discloses a method for customizing insurance coverage, as explained, but does not expressly disclose:

- displaying a plurality of different line items associated with the benefit category to the employee on a user interface accessible through a computer network

wherein each of the different line items displayed on the interface includes (i) an out-of-pocket cost parameter that corresponds to out-of-pocket costs paid by the employee for use of coverage provided under the benefit category and (ii) a corresponding benefit cost to the employee for purchasing the coverage under the benefit category and wherein the benefit cost presented to the employee for at least one of the different line items associated with the benefit category is non-zero.

Warady discloses

- simultaneously displaying a plurality of different line items associated with the benefit category (e.g. medical: Description of options A-M) to the employee on a user interface accessible through a computer network wherein each of the different line items displayed on the interface includes (i) an out-of-pocket cost parameter that corresponds to out-of-pocket costs paid by the employee for use of coverage provided under the benefit category (out of pocket cost— e.g. deductible) and (ii) a corresponding benefit cost to the employee for purchasing the coverage under the benefit category (cost for employee only, employee+children; employee+spouse; employee+spouse) and wherein the benefit cost presented to the employee for at least one of the different line items associated with the benefit category is non-zero (Fig. 7A-B).

At the time of the Applicant's invention, it would have been obvious to one of ordinary skill in the art to modify the method of Wizig with the teaching of Warady to provide user's with information on out-of-pocket costs as they are selecting a

personalized healthcare plan. As suggested by Warady, one would have been motivated to include this feature to ensure that the employee is informed of and can easily enroll in the various plan options that match their needs. (col. 9, lines 49-col. 10, line 8)

Furthermore, it should be noted that these limitations regarding the data that are displayed on the screen, are nonfunctional description material and are not functionally involved in the steps recited. In particular, the steps recited in claim 1 would be performed the same regardless of the data contents of the noted material (i.e. the data displayed on the screen, simultaneously or otherwise). Thus, this descriptive material will not distinguish the claimed invention from the prior art in terms of patentability. See *In re Gulack*, 703 F.2d 1381, 1385, 217 USPQ 401, 404 (Fed. Cir. 1983); *In re Lowry*, 32F.3d 1579, 32 USPQ2d 1031 (Fed. Cir. 1994).

Wizig also teaches a method wherein profiles are created for the user, but does not expressly disclose transmitting the stored data to a benefit claims processing vendor configured to automatically build a benefit profile for said employee based on said data.

Spurgeon teaches a method wherein data gathered/stored from the user on selected benefits is transmitted to a benefit claims processing vendor (i.e. insurer or third party reviewer), which may build a profile of the individual (i.e. store a profile of the insured in a database). (Spurgeon: col. 4, lines 7-18; col. 6, lines 16-43). At the time of the Applicant's invention, it would have been obvious to one of ordinary skill in the art to modify the system/method of Wizig with the teaching of Spurgeon to provide user information to a benefit claims processor vendor (i.e. insurer/third party reviewer), which

may provide a profile of the user. As suggested by Spurgeon, one would have been motivated to include this feature to increase the speed with which claims may be processed and paid (col. 4, lines 43-46) and to provide a mechanism for updating providers on the status of a patient/subscriber (i.e. the employee purchasing benefits). (col. 8, line 54-57)

(10) Response to Argument

(A) Appellant argues that the rejection of claims 70-73, 75-79, and 81-82 under 35 U.S.C. 112, 2nd is improper.

In response, the preamble of claim 70 recites a system, which examiner understands to be combination of components or parts. However, the "system claim" further recites/performs a series of active steps. As such, it unclear whether to a potential infringer whether the appellant is seeking protection for the system and its components/ parts or for the method steps as performed by the system in this particular claim.

Furthermore, the current claim language recites "the at least one processor receives an insurance coverage package selection *from the employee...*" However, in a system claim, the user of the system does not impact the functionality of the system. It is unclear from the current claim language how the system processor is able to discriminate among users, as it does not recite any login or security features/functionality.

As such, exemplary claim 70 straddles two statutory classes, apparatus (system)

and method, and is properly rejection under claim 35 U.S.C. 112, 2nd

Claims 71-73, 75-79, and 81-82 inherit the deficiencies of claim 70 through dependency, and are therefore also rejected.

(B) Appellant argues that the instant invention distinguishes over the prior art because "the consumer begins the process by selecting a fully functional benefits package, i.e. a benefits package that automatically includes coverage under a plurality of benefit categories."

In response, it is noted that the claim recites "receiving an insurance coverage package selection from the employee, wherein the insurance coverage package corresponds to a benefit type and automatically includes coverage under a plurality of benefit categories *associated* with the benefit type..."

The claim does not recite "fully functional" and contrary to appellant's assertion regarding the Wizig reference, it does not recite language precluding the user from selecting particular benefits. For example, using applicant's own Figure 22E from the summary of claimed invention for claim 1, "health benefits" (ref. number 2251) is the benefit type which is associated with a plurality of benefit categories (e.g. hospital care, pharmacy, emergency care, vision care...) (See page 3 of the Appeal Brief)

Similarly, Wizig allows the user to purchase (customized) healthcare insurance (benefit type) which is associated with a plurality of benefit types (i.e. Inpatient hospital, pharmacy, emergency room, vision care) (See Wizig: Fig. 33 "your purchase has been completed", Figure 55).

In other words, Appellant's claimed invention does not define which benefits must be included to be "fully-functional."

(C) Appellant argues that the claimed invention distinguishes over the prior art, Wizig and Warady, because it claims "simultaneously displaying a plurality of different line items associated with the benefit category to the employee on a user interface accessible through a computer network..." Appellant further attempts to define the term "line item" by reciting " each of the different line items displayed on the interface includes (i) an out-of-pocket cost parameter that corresponds to out-of-pocket costs paid by the employee for use of coverage provided under the benefit category and (ii) a corresponding benefit cost to the employee for purchasing the coverage under the benefit category."

In response, the appellant's use of the term "line item" is not specifically defined in the originally filed specification, as it is currently recited in exemplary claim 1. The closest the Appellant has come to providing a definition for the term "line item" in original disclosure can be found in the originally filed claim 5 (now cancelled), " wherein said **plurality of line items** comprises line items selected from the group consisting of: preventative care, physician care, hospital care, emergency care, pharmacy care, alternative care, vision care, and behavioral health care services." In other words, items originally presented as "line items" by the Appellant are now recited as apparent "benefit categories."

The Wizig reference displays a plurality of benefit categories listed as "line

items,” and further discloses (i) an out-of-pocket cost parameter that corresponds to out-of-pocket costs paid by the employee for use of coverage provided under the benefit category (Figure 33—pharmacy/ co-payment and listed as a line item).

However, Wizig does not expressly disclose “a line item” further comprising: (ii) a corresponding benefit cost to the employee for purchasing the coverage under the benefit category, and therefore Wizig does not disclose simultaneously displaying a plurality of different line items associated with the benefit category to the employee on a user interface..., wherein each of the different line items displayed on the interface includes (i) and (ii).

Warady discloses: simultaneously displaying a plurality of different line items associated with the benefit category (e.g. medical: Description of options A-M) to the employee on a user interface accessible through a computer network wherein each of the different line items displayed on the interface includes (i) an out-of-pocket cost parameter that corresponds to out-of-pocket costs paid by the employee for use of coverage provided under the benefit category (out of pocket cost— e.g. deductible) and (ii) a corresponding benefit cost to the employee for purchasing the coverage under the benefit category (cost for employee only, employee+children; employee+spouse; employee+spouse) and wherein the benefit cost presented to the employee for at least one of the different line items associated with the benefit category is non-zero (Fig. 7A).

(D) Applicant argues that the “line items” displayed in Warady are not the same as

applicant's "line items."

In response, the appellant has attempted to use two features to patentably distinguish the invention over the prior art of record. First, the appellant argues the method requires the display of certain information as "line items". Second, the Appellants argue that the type of information must be displayed simultaneously.

Contrary to Appellants arguments on page 10, Warady does not provide a "take or leave it approach" to benefits options for users. Warady simultaneously displays a plurality of different line items associated with the benefit category (e.g. medical: Description of options A-M) to the employee on a user interface accessible through a computer network wherein each of the different line items displayed on the interface includes (i) an out-of-pocket cost parameter that corresponds to out-of-pocket costs paid by the employee for use of coverage provided under the benefit category (out of pocket cost— e.g. deductible) and (ii) a corresponding benefit cost to the employee for purchasing the coverage under the benefit category (cost for employee only, employee+children; employee+spouse; employee+spouse) and wherein the benefit cost presented to the employee for at least one of the different line items associated with the benefit category is non-zero (Fig. 7A).

Furthermore, regarding the Appellants' arguments against the references individually, one cannot show nonobviousness by attacking references individually where the rejections are based on combinations of references. See *In re Keller*, 642 F.2d 413, 208 USPQ 871 (CCPA 1981); *In re Merck & Co.*, 800 F.2d 1091, 231

USPQ 375 (Fed. Cir. 1986). It was the combination of references, Wizig, in view of Warady, which has been applied to address the limitations of exemplary claim 1.

The Examiner has provided a motivation why it would have been obvious to one of ordinary skill in art at the time of applicant's invention, to modify the method of Wizig, with the teaching of Warady, in the rejection of claim 1. As suggested by Warady, one would have been motivated to include this feature to ensure that the employee is informed of and can easily enroll in the various plan options that match their needs. (col. 9, lines 49-col. 10, line 8)

(E) Appellant argues that Spurgeon does not compensate for the deficiencies of Wizig or Warady.

In response, the Spurgeon reference was relied upon to address features of claims 14, 18-18, 33, 37-38, 50, 81, and independent claim 106. These features include the use of a LAN and transmitting data to a benefit claims processing vendor, and are not separately argued by the Appellant.

(F) Appellant argues that the data displayed on the user interface is not "non-functional descriptive material" and that the line item data further serve to distinguish Appellant's invention from the prior art.

In response, regarding exemplary claim 1, the Examiner has provided a prior art rejection to address the claim limitations.

However, in the rejection, it was further noted that in the method steps, the type

and format of information displayed on the screen does not impact or alter the steps of rest of the method steps.

In other words, the displaying step requires: “simultaneously displaying a plurality of different line items associated with the benefit category to the employee on a user interface accessible through a computer network wherein each of the different line items displayed on the interface includes (i) an out-of-pocket cost parameter that corresponds to out-of-pocket costs paid by the employee for use of coverage provided under the benefit category and (ii) a corresponding benefit cost to the employee for purchasing the coverage under the benefit category and wherein the benefit cost presented to the employee for at least one of the different line items associated with the benefit category is non-zero”

The next step is “receiving via the user interface a purchase selection from the employee corresponding to one of the plurality of different line items associated with the benefit category.” The current claim language does not recite that the user is selecting the displayed information. The claim reader is to infer that the employee requires all the information recited in the specific detail found in the display step to make his/her decision/purchase selection.

However, the current claim language merely recites receiving a purchase selection from the employee corresponding to one of a plurality of different line items associated with the benefit category. It does not require the simultaneous display of information and it does not require the information described with the details of a “line item.”

For those reasons, it was argued that the limitations regarding the data that are displayed on the screen are nonfunctional description material and are not functionally involved in the method steps recited. In particular, the steps recited in claim 1 would be performed the same regardless of the data contents of the noted material (i.e. the data displayed on the screen, simultaneously or otherwise). Thus, this descriptive material will not distinguish the claimed invention from the prior art in terms of patentability. See *In re Gulack*, 703 F.2d 1381, 1385, 217 USPQ 401,404 (Fed. Cir. 1983); *In re Lowry*, 32F.3d 1579, 32 USPQ2d 1031 (Fed. Cir. 1994).

(11) Related Proceeding(s) Appendix

No decision rendered by a court or the Board is identified by the examiner in the Related Appeals and Interferences section of this examiner's answer.

For the above reasons, it is believed that the rejections should be sustained.

Respectfully submitted,

/Rachel L. Porter/

Examiner, Art Unit 3626

/C. Luke Gilligan/

Supervisory Patent Examiner, Art Unit 3626

Conferees:

Alexander Kalinowski/AK/

Supervisory Patent Examiner, Art Unit 3691

/CLG/

Luke Gilligan

Supervisory Patent Examiner, Art Unit 3626